

PSYCHIATRIC CRISIS REDESIGN IN MILWAUKEE COUNTY

Fiscal Analysis of Phase One Recommendations

Presentation by Wipfli LLP

August 22, 2019

Scope of Fiscal Analysis

- Identify key operating assumptions, including licensure options, and estimate the financial outcome of a new Centralized Psychiatric Emergency Department (ED).
- Compare that outcome to a decentralized model of care for emergency crisis services.
- Evaluate Milwaukee County's tax levy funding potentially available to support the new psychiatric crisis continuum (including the ED).

Phase One Report Conclusions

Expectations of a Future Dedicated Psychiatric ED:

- Would have appropriate clinical expertise, physical environment, and legal acumen.
- Would serve a narrower population — mainly individuals under emergency detentions with highly complex needs, assuming a broader array of community-based options
- BHD would retain Milwaukee County's legal Treatment Director function.

Fiscal Analysis Conclusions

Centralized Psychiatric ED Model:

- Funding would be required above service-based reimbursement by **\$12M** to **\$16M** annually. In addition, start-up and capital funding would be required.

Decentralized Psychiatric ED Model:

- Funding would be required above service-based reimbursement by **\$21M** to **\$30M** annually. In addition, a number of significant operational, workforce, clinical, legal, and other factors and concerns were cited with this option.

Fiscal Analysis Conclusions

Milwaukee County Tax Levy:

- Approximately **\$7.3M** will be available from the Milwaukee County tax levy to support the full continuum of psychiatric crisis services, including the dedicated Psychiatric ED.
- In addition to support for a dedicated Psychiatric ED, tax levy funding may be required for new and enhanced community services.
- The actual level of taxy levy funding to support the dedicated Psychiatric ED has yet to be determined.

Fiscal Analysis Conclusions

In Summary:

- The Financial Assessment **supported Phase One recommendations to develop a Centralized Psychiatric ED model of care** as a key component to the Crisis Redesign Initiative in Milwaukee County.
- Milwaukee County tax levy funding may allow for some level of funding to offset the expected operating losses of a Centralized Psychiatric ED; however, additional funding sources will also be required.
- Recommendations regarding next steps in the process are pending.